

AUTO COLLISION REPAIR LICENSING ADVISORY BOARD

Members present: Dave Reynolds, Chairman, Collision Repair Member

Dave Doucet, RISP, Law Enforcement Member

Dennis Gamba, Direct Repair Member

Allan D. Olney, Insurance Industry Member

Gerald Galleshaw, Representative of the People

Louis D'Quattro, Jr.-DBR, Deputy Director, Executive Counsel

Members Absent: Dan Coleman, Glass Industry Member
Chris Hurd, New Car Dealer

Others Present: Elizabeth Kelleher Dwyer, DBR
Paula Pallozzi, DBR
Jina Petrarca-Karampetsos, Providence Auto Body
Randy Bottella, Reliable Collision
Kimberly Precious, Implementation Aide
Bill Burke, Progressive Insurance

Dave Reynolds: Called meeting to order at 10:38A.M. Made a motion to pass minutes from the meeting on regulation 2 dated August 2, 2011, and of the May 25, 2011, meeting.

Louis A. DeQuattro, Jr.: Seconded. All in favor.

Work Completed Form

DR: Why don't we get right to Beth and Paula on regulation 4 and RI Gen. Law §5-38.

Beth Kelleher Dwyer: Spoke about the miscommunication on day of hearing, and extended the comment period for additional comments on Regulation 4 proposed changes due to mix up. Also spoke on the debate on whether or not Repair Certification Form/appendix A is still needed due to the expense of distributing the form and the lack of completion; it is an outdated practice that is wasting time and money. Will draft up something to run by select members for comment and then run it by entire Board next month.

Dave Doucet: It is not required that the customer understands every nut and bolt that was changed, but that they understand what the shop did. A lot of the complaints we look at turn out to be a civil, which we do not investigate. We investigate until the point we determine it is definitely a civil issue. The ones that are not civil can get pretty serious.

BKD: Any new proposal needs to meet the requirements of the two industries.

Discussion on Complaint Process

Randy Bottello: What I am seeing in the industry and at DBR as far as licensing and protecting consumers is that it is a little light when it comes to the area of the safety of repairs. Our association continuously comes upon things that shouldn't be and tries to help consumers to rectify it. Unfortunately there is a lack of ability with the department to really root out the shops that are repeat offenders who are just not fixing people's cars properly whether it is willful or flat out ignorance. I see a breakdown as far as how the consumers in this state get justice for people who are not fixing cars properly. Looking at a work completed form and a repair bill is just the tip of the ice burg. If someone is not doing their paperwork right how are they doing fixing cars?

Dennis Gamba: Are you suggesting that there be some type of complaint process that a consumer can make a complaint to the department and maybe a volunteer panel of body shops could look at the car and if there are major issues, make a recommendation to the Department to notify that body shop that they have to clean up their act.

RB: Our association is available to inspect these kinds of complaints. The complaint process is back and forth paperwork that takes seemingly forever for consumers to get through and nothing happens.

How is the consumer being taken care of? We are available to document what we found and photograph it. Then the issue is what

do you do with this guy? We are available to come in and testify on behalf of the consumer. The second part of that problem is we do not have an investigator anymore. People came to me and say we have illegal body shops going on. Unfortunately, I say to them you can fill out a complaint but it is going to sit on some desk somewhere.

LDQ: Since tom retired, we have gone through the process of interviewing and we have an individual that was recommended for chief inspector, so hopefully in two to four weeks we will have somebody on board.

Jina Petrarca-Karampetsos: In terms of this process for repeated offenders. Does this board have some authority over other body shops?

RB: It does. It is in the law.

JPK: Maybe there will be a procedure put in place where we can put the complaint in front of the board given their expertise.

RB: Absolutely, I think the board is a critical part of it. We have the expertise to take the complaints and determine if they have merit. Legally the association does not have any authority but we do have a lot of expertise. We definitely know when something was or wasn't done right. Customers are in a situation where their car is damaged and can't be safely put back on the road due to faulty repair and the

insurance company does not want to pay for the repairs that were not done properly.

JPK: Not only that, there is no form of legal prospective because garage keepers coverage does not cover poor workmanship. So there is no place to go except to that shop owner.

RB: We need an invoice to see if shop got paid to replace or repair.

DD: What if the appraisal said replace the customer said let the body shop repair it. Whatever terms they came to, you want to know what the consumer said.

RB: I think if a shop had to come in and sit in front of their peers as well as law enforcement it will serve better to prevent them or possibly to deter them from continuing some bad practices.

DR: Much like we do with the classified licenses. We take a look at them and make a recommendation based on our expertise.

JKP: Or determine whether or not the actual work completed is unsafe.

DG: I have an insurance policy if something happens on a repair we are insured for that. My insurance company will pick up the tab and

whether the car is fixed at my shop or someplace else. I have that coverage and it is not a lot of money. I do not have to be negligent to pay. It is on workmanship.

JKP: Maybe mandate the coverage.

LDQ: Is it like errors and omissions?

DG: It is excluded on the general liability. With today's complexity of vehicles lets just say that if something happened, I am covered. I'll get the information and bring it to the next meeting.

JPK: I Think harm has to be caused as a result.

Insurance Coverage proposed changes - Regulation 4

BKD: In the proposed changes to Regulation 4, Bodily Injury/Property Damage language was to change insurance coverage to 600,000 and garage keepers 100,000.

Paula Pallozzi: There was a concern from an insurance agent that questioned whether the said amount is attainable and if the wording was correct.

DR: Any other comments?

Paint less Dent Repairers, etc...

DG: Next meeting if we have time to discuss, POA Limited licenses, Paint less Dent Removal.

JKP: There were a couple of companies that were saying they did put in after market sunroofs. Those people need to be licensed.

DR: We will put in on for the next agenda.

Auto Glass

DG: I also want to put it out there that there has been a situation in the auto glass industry as to when a consumer has a glass claim. Insured is directed right to a glass company that is going handle his claims. The body shop that has a license that covers glass is now dealing with a competitor on pricing and settling the claims.

RB: What Dennis is saying if you call in the phone number to the claims line. It will say if you are calling for a glass claim press one. If you press one it switches you over to XXX Auto Glass. You are no longer talking to your insurance company. You are talking to XXX auto glass and they handle the claim.

PP: It sounds like they are adjusting. Dennis are you talking about more than one or two insurers?

DG: Yes, more than one or two.

PP: Well if there is something happening out there then we may need to know.

DG: What they do is get you in a three way conversation to agree on a figure with the customer on the line with you and then they change the price when they mail you the check. They take out a percentage because they are working on a commission.

RB: They actually send the check to us from XXX auto glass.

PP: Do remember a couple of years ago there was an 800 number doing something like that? I am pretty sure we stopped them from doing that.

BKD: I had an action against that insurer.

DG: I want right up the ladder with this. I don't want to tell you what the end result was but it was fraud on the insurers behalf.

JPK: They act as glass administrators basically. There are links where these companies actually adjust the claims.

Gerry Galleshaw: The question I have is when someone repairs glass

on a vehicle they go to body shop/glass replacement shop. It is not done on a sidewalk. What is the procedure?

JPK: Either a glass shop or a body shop has to do it. Is that what you are asking.

GG: No, they got the mobile glass places.

JKP: Mobile. Yes. But we addressed this we think some of the mobile unit issues we had some legislation put in because there were some complaints that they were doing this out in the freezing cold and rain.

RB: Or they were coming in from Connecticut with no physical location.

DR: We have to get started on this after we finish regulation 4.

Glass is definitely part of the structural integrity of the vehicle. It is part of what makes the vehicle what it is. It has specific instructions that have to be followed to the T in order for it to perform correctly. In case there is a roll over or a crash. That glass has to be put in impeccably right. Other than that someone can die.

DR: Any other questions for Beth or Paula? Any old business?

RB: Asked BKD and PP if they are going to attend the next auto body

meeting as they get into these issues with the insurers and the complaint process.

BKD: We will look at it and talk to Joe.

PP: Just to clarify the complaint process and regulation is Kim's issue and we will not be involved in that discussion.

DR: Motion to adjourn meeting at 12:02. DG, Seconded, All in favor.